

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

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ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

ARIZONA CORPORATION COMMISSION
DIRECTOR OF UTILITIES

W-02502A
Flagstaff Ranch Water Company, Inc
P. O. Box 10775
Phoenix AZ 85064

ANNUAL REPORT

FOR YEAR ENDING

12	31	2003
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FOR COMMISSION USE

Ann04	03
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COMPANY INFORMATION

Company Name (Business Name) Flagstaff Ranch Water Co., Inc

Mailing Address P. O. Box 10775
(Street)

Phoenix, AZ 85064
(City) (State) (Zip)

602 954 0321 602 957 3159
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address P. O. Box 10775
(Street)

Phoenix, AZ 85064
(City) (State) (Zip)

602 954 0321 602 957 3159
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Herbert Dreiseszun Sec/Trea
(Name) (Title)

same as above
(Street) (City) (State) (Zip)

same as above
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Patrick Vinson
(Name)

4888 East Half Moon Flagstaff, AZ 86004
(Street) (City) (State) (Zip)

928 527 8603 928 853 2531
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

COMPANY NAME

Flagstaff Ranch Water Co., Inc.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises	75102		
303	Land and Land Rights			
304	Structures and Improvements	80252		
307	Wells and Springs			
311	Pumping Equipment	69409		
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	262809		
331	Transmission and Distribution Mains	430522		
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	908094	706580	201514

This amount goes on the Balance Sheet Acct. No. 108



COMPANY NAME Flagstaff Ranch Water Co., Inc.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises	75102		
303	Land and Land Rights			
304	Structures and Improvements	80252		
307	Wells and Springs			
311	Pumping Equipment	69409		
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	262409		
331	Transmission and Distribution Mains	430522		
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	908094		57004

This amount goes on Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME Flagstaff Ranch Water Co., Inc

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 46944	\$ 83109
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 46944	\$ 83109
	FIXED ASSETS		
101	Utility Plant in Service	\$ 832992	\$ 838130
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	649576	706580
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 183416	\$ 131,550
	TOTAL ASSETS	\$ 230360	\$ 214,659

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$	\$
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 141458	\$ 141458
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 141458	\$ 141458
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 917172	\$ 917172
211	Paid in Capital in Excess of Par Value/loss	40140	15701
215	Retained Earnings	(788130)	828270
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 88902	\$ 73201
	TOTAL LIABILITIES AND CAPITAL	\$ 230360	\$ 214659

COMPANY NAME Flagstaff Ranch Water Co., Inc.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 86379	\$ 81046
460	Unmetered Water Revenue/bulk		16246
474	Other Water Revenues/rental/reimbursements		41525
	TOTAL REVENUES	\$ 86379	\$ 138250
	OPERATING EXPENSES		
601	Salaries and Wages/management fees	\$ 38838	\$ 50775
610	Purchased Water		
615	Purchased Power	18154	13361
618	Chemicals		
620	Repairs and Maintenance	8518	11527
621	Office Supplies and Expense		
630	Outside Services		
635	Water Testing	1073	11472
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	2443	3774
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense /legal and professional		14710
403	Depreciation Expense	51868	57004
408	Taxes Other Than Income		
408.11	Property Taxes	3709	923
409	Income Tax	45	45
	TOTAL OPERATING EXPENSES	\$ 126519	\$ 153591
	OPERATING INCOME/(LOSS)	\$	\$
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ (40140)	\$ (15701)

COMPANY NAME Flagstaff Ranch Water Co., Inc.

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ - 0 -

Meter Deposits Refunded During the Test Year

\$

Loans to corporation from stockholders to cover operating losses and maintain liquidity. Total loans since 1994 \$141458.

COMPANY NAME Flagstaff Ranch Water Co., Inc.

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55 509021	60	60	1600	12	1	1984

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
none		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
none			

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
595000	1	595000	1

COMPANY NAME Flagstaff Ranch Water Co., Inc.

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	86
1	15
1 1/2	3
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

COMPANY NAME: Flagstaff Ranch Water Co., Inc.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	64	307000	310
FEBRUARY	64	362000	350
MARCH	64	331000	360
APRIL	64	370000	390
MAY	64	580000	625
JUNE	64	1027000	950
JULY	79	1722000	1850
AUGUST	96	1536000	1500
SEPTEMBER	96	767000	810
OCTOBER	98	895000	750
NOVEMBER	107	692000	670
DECEMBER	110	397000	450
TOTAL		N/A	
		8986000	9015

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (x) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (x) No

If yes, provide the GPCPD amount:_____

What is the level of arsenic for each well on your system. 28 mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Flagstaff Ranch Water Co., Inc. YEAR ENDING 12/31/2003

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 923

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

936-90-100 116-58-224, 223, 222. 221		1493
FLAGSTAFF RANCH WATER CO., INC. P. O. BOX 10779, 86004-0779 PHOENIX, AZ 85064		
DATE 10/13/03		91-581/121
PAY TO THE ORDER OF: Coconino County Treasurer	\$ 922.92	
Nine hundred twenty-two and 92/100 DOLLARS		
Northern Trust Bank of Arizona, N.A. 2200 E. Camelback Road, Phoenix, Arizona 85016		
FOR	00011930 01221052100	11110348220 00000922920
10/28/03	1493	922.92

COMPANY NAME Flagstaff Ranch Water Co., Inc.

YEAR ENDING 12/31/2003

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>-0-</u>
Estimated or Actual Federal Tax Liability	<u>-0-</u>

State Taxable Income Reported	<u>-0-</u>
Estimated or Actual State Tax Liability	<u>-0-</u>

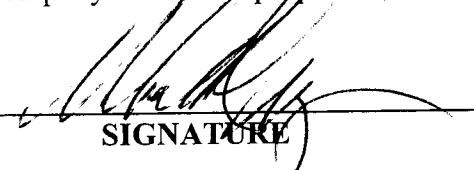
Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>-0-</u>
Amount of Gross-Up Tax Collected	<u>-0-</u>
Total Grossed-Up Contributions/Advances	<u>-0-</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

2/3/04

DATE

Herbert Dreiseszun

PRINTED NAME

Sec/Trea

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

FEB 04 2004

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>Herbert Dreiseszun Sec/Trea</u>
COMPANY NAME
<u>Flagstaff Ranch Water Co., Inc.</u>

**ARIZONA CORPORATION COMMISSION
DIRECTOR OF UTILITIES**

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2003</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 138250

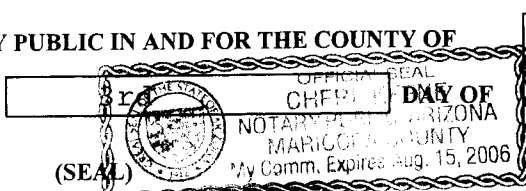
**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 652
IN SALES TAXES BILLED, OR COLLECTED**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



(SEAL)

MY COMMISSION EXPIRES

SIGNATURE OF OWNER OR OFFICIAL

602 954 0321

TELEPHONE NUMBER

COUNTY NAME
Maricopa

MONTH February 20 04

SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

RECEIVED

FEB 04 2004

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

(COUNTY NAME) Maricopa	
NAME (OWNER OR OFFICIAL) Herbert Dreiseszun	TITLE Sec/Trea
COMPANY NAME Flagstaff Ranch Water Co., Inc.	

ARIZONA CORPORATION COMMISSION
DIRECTOR OF UTILITIES

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

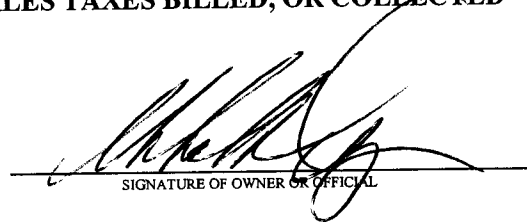
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES	
\$ 526	81046

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 526
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

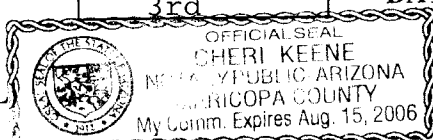

SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

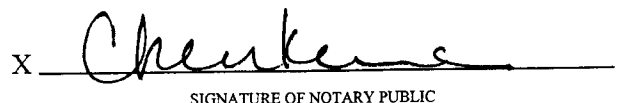
THIS 3rd DAY OF

(SEAL)



MY COMMISSION EXPIRES

NOTARY PUBLIC NAME	
COUNTY NAME Maricopa	
MONTH February	2004

X 
SIGNATURE OF NOTARY PUBLIC